



## Michigan Department of Human Services Office of Child Support

### ELECTRONIC DISBURSEMENT OF CHILD SUPPORT

- Public Act 548 of 2004 (MCL 400.236(4)) requires that the Michigan State Disbursement Unit (MiSDU) disburse support electronically, either through direct deposit to an individual's checking/savings account or to a debit card.
- One-third of Michigan's child support customers already have direct deposit. All customers will be offered a choice of either direct deposit to checking/savings or debit card. (In other states with electronic disbursement, statistics show that approximately two-thirds chose direct deposit and one-third received a debit card.)
- The debit card option will be phased into electronic disbursement during 2006. See the statewide implementation schedule.
- Electronic disbursement:
  - Provides immediate access to funds.
  - Eliminates mail delays and lost or stolen checks.
  - Eliminates check-cashing fees.
  - Eliminates returned mail and delays when customer has not updated his/her address.
  - Reduces money held by the state waiting for a customer to update his/her address.
  - Makes more efficient use of taxpayer dollars (better service, lower cost).
- Exemptions to electronic disbursement may be requested and granted for:
  - Individuals with a mental or physical disability that imposes a hardship.
  - Individuals with a language or literacy barrier that imposes a hardship.
  - Individuals with payments that are not recurring (two or less per year), or are not expected to continue in a 12-month period.
  - Individuals with both home and work addresses that are more than 30 miles from an ATM or their financial institution.
- When a customer chooses the debit card, the MiSDU deposits support payments directly to the card. The card can be used just like any Visa-branded card. (Only the MiSDU can deposit money into this account; the cardholder cannot add funds.)
- There is no fee to use the card at the millions of locations that accept Visa debit card for point-of-sale transactions (grocery stores, retailers, gas stations, etc.).
- Customers can also get cash back with purchase from Interlink merchants without any fee. There are over 29,000 Interlink merchants in Michigan.
- Each cardholder can also receive cash back free of charge from any bank or credit union that process Visa cash advances at the teller window.
- Customers who choose to use an ATM to access their debit card funds will pay ATM fees. Today, customers without checking/savings accounts have few alternatives to paying check-cashing fees.
- For additional information on electronic disbursement go to the child support section of the DHS Web site [www.michigan.gov/dhs](http://www.michigan.gov/dhs) or [www.misdu.com](http://www.misdu.com)